

# Statewide Single Audit KEY FINDINGS SUMMARY

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Fiscal Year Ended June 30, 2023

WHY AUDIT?

## THE STATEWIDE SINGLE AUDIT

Our office performs the Statewide Single Audit in accordance with audit requirements placed upon the state as a condition of expending federal financial assistance. The federal Office of Management and Budget provides guidelines for selecting which programs to audit and the audit procedures to perform. The federal government uses the Single Audit Report to monitor how well the state administers the federal financial assistance and to follow up on prior audit findings. [Link to full report](#)

## ABOUT THIS SUMMARY

This summary of the Statewide Single Audit highlights information included in Section III of the Schedule of Findings and Questioned Costs. It contains **recommendations that state agencies need to address** to ensure the proper administration and maintenance of federal funds.

## SUMMARY of FINDINGS



## OF THESE FINDINGS...



FEDERAL FINANCIAL ASSISTANCE

## FEDERAL EXPENDITURES

**\$15.6 billion**

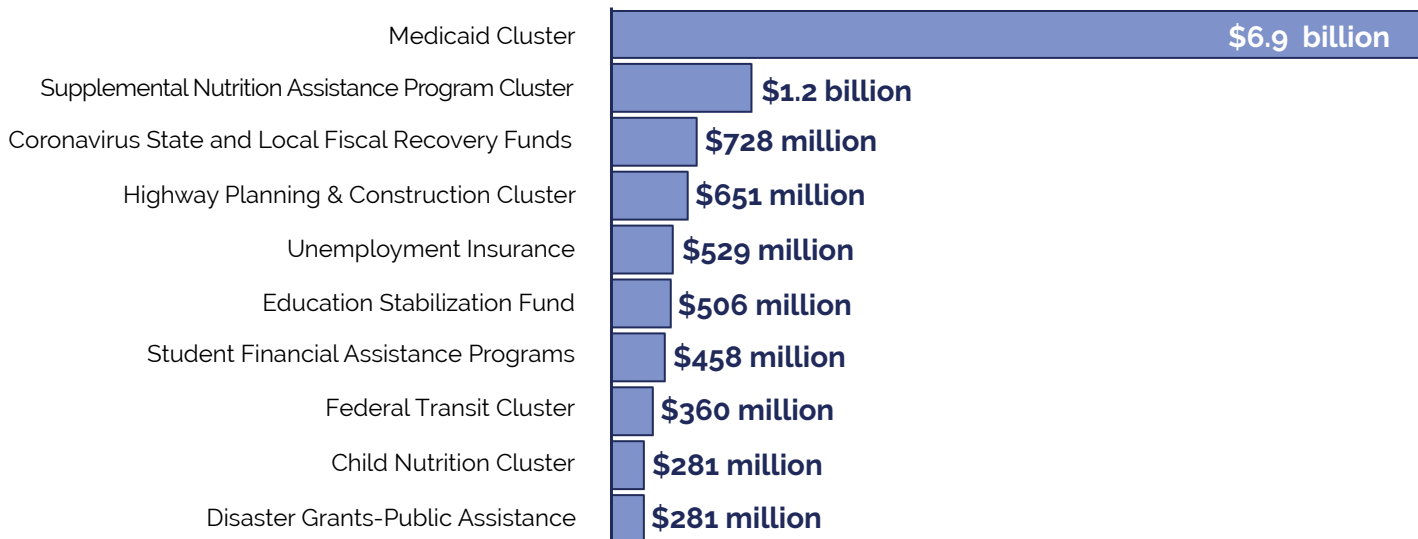
FY 2022

**\$14.5 billion**

FY 2023

FY 2023 includes **\$3 billion** for COVID-19 related funding.

## 10 Largest Federal Programs



## NOTEWORTHY FINDINGS

Below are some noteworthy findings from the Statewide Single Audit Report for the fiscal year ended June 30, 2023

### AGENCY

### SUMMARY

**Department of Public Health**

and

**Department of Mental Health and Addiction Services**



**Finding Numbers:** 2023-200, 2023-801

**Program Names:** HIV Care Formula Grants, Block Grants for Prevention and Treatment of Substance Abuse

**Federal Award Agency:** U.S. Dept. of Health and Human Services

**?** The state may risk losing federal funding for future grants.

#### Failure to Meet Maintenance of Effort Requirements

The Department of Public Health (DPH) did not meet the maintenance of effort requirement for the HIV Care Formula Grants by \$12.9 million in fiscal year 2021 and \$4.1 million in fiscal year 2022. The Department of Mental Health and Addiction Services (DMHAS) did not meet the maintenance of effort requirement for the Block Grants for Prevention and Treatment of Substance Abuse by \$4.2 million in fiscal year 2023. DPH and DMHAS should strengthen internal controls to ensure compliance with maintenance of effort requirements. We reported this as a finding for DMHAS in the prior audit.

[Link to finding 2023-200 in full report.](#)

[Link to finding 2023-801 in full report.](#)

**Department of Children and Families**



**Finding Number:** 2023-250

**Program Name:** Foster Care – Title IV-E

**Federal Award Agency:** U.S. Dept. of Health and Human Services

**?** **QUESTIONED COSTS** **\$782,981**

#### Unallowable Foster Care Maintenance Payments

The Department of Children and Families (DCF) claimed federal reimbursement on behalf of a child who the department determined ineligible for the Foster Care Program. Further review disclosed DCF reported \$1,401,506 in payments on behalf of children who the department determined ineligible. DCF should strengthen internal controls to ensure that it claims only allowable costs for federal reimbursement. DCF should return federal reimbursement for unallowed expenditures that it claimed under the Foster Care Program. [Link to finding in full report.](#)

**State Department of Education**



**Finding Number:** 2023-300

**Program Name:** Title I Grants to Local Educational Agencies (Title I, Part A)

**Federal Award Agency:** U.S. Dept. of Education

**?** **QUESTIONED COSTS** **\$328,541**

#### Improper Use of Title 1, Part A Funding

The Connecticut Technical Education and Career System (CTECS) did not expend Title I, Part A funding in accordance with the allocation methods in its approved application for the 2022 federal fiscal year. Specifically, CTECS spent \$328,335 over the amounts allotted in the application for two schools and \$206 for one ineligible school. The State Department of Education should assist CTECS in implementing policies and procedures to ensure it uses Title I, Part A funding in accordance with the program's laws and regulations. We reported this as a finding in the six prior audits.

[Link to finding in full report.](#)

## AGENCY

## SUMMARY

### Department of Transportation



**Finding Number:** 2023-100

**Program Name:** National Priority Safety Programs

**Federal Award Agency:** National Highway Traffic Safety Administration

**QUESTIONED COSTS**

**\$242,137**

### Lack of Controls for Consultant Selection and Insufficient Invoice Support

The Department of Transportation (DOT) selected two consultants to provide media, marketing, and public relations services without obtaining three required quotes. In addition, ten payments to these two consultants did not have sufficient supporting documentation. DOT should strengthen internal controls to ensure that its competitive consultant selection process complies with federal and state requirements. DOT should also ensure that invoices are adequately supported and traceable to contracts. [Link to finding in full report.](#)

### Department of Social Services



**Finding Number:** 2023-016

**Program Name:** Medical Assistance Program (Medicaid, Title XIX), State Survey and Certification of Health Care Providers and Suppliers (Medicare, Title XVIII)

**Federal Award Agency:** U.S. Dept. of Health and Human Services

**The health and safety of nursing home residents may be at risk.**

### Untimely Skilled Nursing and Intermediate Care Facilities Surveys

The Department of Social Services is the designated single state agency to administer the Medicaid program in accordance with Title 42 U.S. Code of Federal Regulations (CFR) Part 431. Connecticut administered certain aspects of the Medicaid program through several state agencies including the Department of Public Health (DPH) as the state survey agency. Our review of 25 skilled nursing and intermediate care facilities surveys performed by DPH disclosed that the department did not conduct recertification surveys for 24 facilities within the required 15 months. In addition, our review of 14 investigations disclosed that DPH initiated an onsite visit survey for three non-immediate jeopardy high priority complaints or incidents between 51 and 148 days late. DPH should strengthen internal controls to ensure compliance with federal Medicare and Medicaid survey requirements. [Link to finding in full report.](#)

### Office of Early Childhood



**Finding Number:** 2023-779

**Program Names:** Child Care and Development Block Grant

**Federal Award Agency:** U.S. Dept. of Health and Human Services

**OEC has reduced assurance that it promptly detected providers with criminal backgrounds that may be working in childcare settings.**

### Failure to Conduct Background Checks on Care 4 Kids Unlicensed Relative Providers

Our review of seven Care 4 Kids unlicensed relative providers for required background checks disclosed that the Office of Early Childhood (OEC) had an expired background check on file for one provider and was unable to provide evidence of a background check for five providers. OEC should strengthen internal controls to ensure it completes background checks for Care 4 Kids unlicensed relative providers at the provider's initial eligibility determination and every five years thereafter. [Link to finding in full report.](#)

### Department of Social Services



**Finding Number:** 2023-017

**Program Name:** Medical Assistance Program (Medicaid, Title XIX)

**Federal Award Agency:** U.S. Dept. of Health and Human Services

**QUESTIONED COSTS**

**\$127,897**

### Untimely Medical Provider Payment Suspensions

Our review of 15 Department of Social Services (DSS) fraud referrals disclosed that the department did not promptly suspend ten providers during investigations. DSS and its fiscal intermediary issued \$228,158 in payments to eight providers that should have been suspended during investigations. DSS should promptly process medical provider suspensions in accordance with federal regulations. We reported this as a finding in the five prior audits. [Link to finding in full report.](#)

*We computed questioned costs by applying the applicable federal financial participation rate to Medicaid payments issued to providers with a credible allegation of fraud.*

## AGENCY

## SUMMARY

### Department of Housing



**Finding Number:** 2023-726

**Program Names:** Section 8 Housing Choice Vouchers and Mainstream Vouchers

**Federal Award Agency:** U.S. Dept. of Housing and Urban Development

**QUESTIONED COSTS**

**\$13,371**

### Incorrect or Unsupported Housing Assistance Payments

Our review of 60 housing assistance payments and utility reimbursements disclosed that in nine cases, payments were incorrectly calculated or not adequately supported. We also noted that in two cases, payments were made under housing assistance payment contracts that were void because they were not executed within 60 days from the beginning of the lease term. DOH should strengthen internal controls to ensure that it properly calculates and supports Section 8 Housing Choice Vouchers and Mainstream Vouchers housing assistance and utility benefit payments. We reported this as a finding in the nine prior audits. [Link to finding in full report.](#)

### Department of Social Services



**Finding Number:** 2023-019

**Program Names:** Medical Assistance Program (Medicaid, Title XIX), Supplemental Nutrition Assistance Program

**Federal Award Agencies:** U.S. Dept. of Health and Human Services, U.S. Dept. of Agriculture

**QUESTIONED COSTS**

**\$9,170**

*We computed questioned costs by applying the related federal financial participation rate to benefit payments associated with ineligible clients.*

### Lack of Controls over Date of Death Matches

DSS did not sufficiently review Income and Eligibility Verification System (IEVS) alerts related to client date of death for the Medicaid program and the Supplemental Nutrition Assistance Program (SNAP). The IEVS matches Department of Labor wage information, Social Security Administration wage and date of death files, and Internal Revenue Services unearned income files. Our review of 15 date of death alerts disclosed that DSS did not record the date of death for 11 client cases, did not close eight client cases, and did not recoup \$8,746 in overpayments for 13 client cases. Furthermore, for five single-member household SNAP clients, unauthorized individuals used \$5,132 of the deceased client's benefits after the client's date of death. DSS should provide the necessary resources and institute procedures to ensure that it uses all information from eligibility, income, and death matches to ensure that it correctly issues benefits to, or on behalf of, eligible clients. DSS should return federal reimbursements it received for unallowed expenditures. We reported this as a finding in the 27 prior audits. [Link to finding in full report.](#)

### Department of Housing



**Finding Number:** 2023-725

**Program Names:** Section 8 Housing Choice Vouchers and Mainstream Vouchers

**Federal Award Agency:** U.S. Dept. of Housing and Urban Development

**QUESTIONED COSTS**  
DOH has reduced accountability over program funds.

### Lack of Reconciliations

DOH is not regularly reconciling its contractor's funding to the disbursed assistance payments. Assistance payments totaled \$103 million during fiscal year 2023. DOH should regularly reconcile the amount of the Section 8 Housing Choice Vouchers and Mainstream Vouchers funding to its contracted vendor's assistance payments to participants. We reported this as a finding in the two prior audits. [Link to finding in full report.](#)